

Vulnerability to Economic Change in Missouri: A County by County Assessment

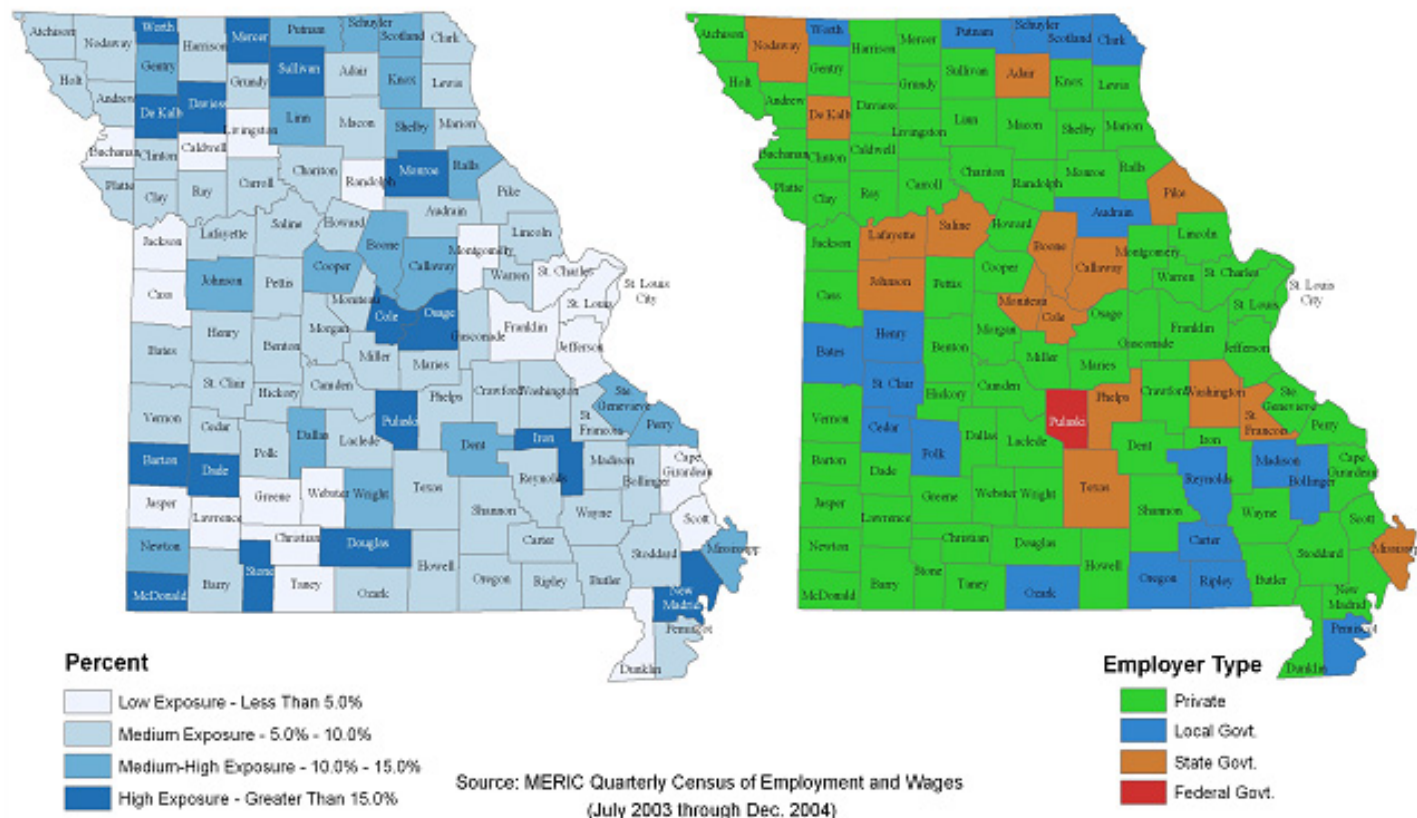
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MERIC conducted a study of the Quarterly Census of Employment and Wages (QCEW) data in an effort to determine the degree to which each county in Missouri is vulnerable to factors that may affect the largest economic entity within that county. The reasoning behind this study and its method is that the larger the percentage of a county's workforce that is dependent upon one economic entity (private firm or governmental agency) the greater each county's and worker's vulnerability to changes in customer base, outsourcing, legislative budgeting or some other competitive force.

Findings:

- The largest employer in 79 of Missouri's 115 counties (69%) is a private sector firm.
- The largest employer in each of the remaining 36 counties is an agency of federal, state or local government.
- In nineteen (19) counties the largest employer is an agency of local government, in fifteen (15) counties the largest employer is an agency of state government, and in one (1) county the largest employer is an agency of the federal government.
- The largest employers in thirty-five (35) counties employed more than 10% of all the jobs held in those counties. The largest employers in six (6) of these 35 counties employed more than 20% of all jobs in those counties.
- The least economically vulnerable counties are the metropolitan areas and the populous suburban counties.
- During the 18 months studied, the largest private firm in Moniteau County downsized leaving the next largest entity (a state government agency) as the largest employer in that county.

County Exposure to Economic Change: Largest Single Employer Public or Private as a Percentage of Total Employment and by Employer Type 18 Month Average



Method:

The QCEW data was gathered between July 2003 and December 2004, and includes all establishments that contribute to the unemployment insurance fund in the state. This captures more than 95% of Missouri's workforce. The QCEW data is first limited to single accounts and "worksite" accounts in order to prevent double counting of firms with multiple locations. Each location for these large firms is counted as a separate economic entity. The QCEW are then aggregated to generate the total number of jobs held in each month by county. After county total employment is generated, the employment count for each economic entity is then divided by the total employment in the county to generate a percentage. Cole County state government employment is handled uniquely in that total state government employment is divided by total employment in the county. This exception is made because state government is perceived as a single entity (corporate headquarters) in Cole County as regards employment.